

Notice of Public Hearing on Tax Increase

Last year, the City of Laredo property tax rate was \$0.637000. That rate raised \$43,121,792, a portion of which was used to fund operations such as: Police, Fire, Traffic Safety, Street and Creek Maintenance, Cultural and Recreational, Municipal Court Disposition, and Administrative, Financial, Legal, and Information Technology Services.

This year, City of Laredo is proposing a property tax rate of \$0.637000. That rate would raise \$47,466,722, which is \$4,344,930 more than taxes imposed last year.

There will be two public hearings to consider that increase. The first public hearing will be held on August 29, 2005 at 12:00 PM at City Hall located at 1110 Houston. The second hearing will be held on September 6, 2005 at 5:30 PM at City Hall located at 1110 Houston.

You have a right to attend the hearings and make comments. You are encouraged to attend and make comments if you wish.

2005 Property Tax Rates in City of Laredo

This notice concerns 2005 property tax rates for City of Laredo. It presents information about three tax rates. Last year's tax rate is the actual rate the taxing unit used to determine property taxes last year. This year's effective tax rate would impose the same total taxes as last year if you compare properties taxed in both years. This year's rollback tax rate is the highest tax rate the taxing unit can set before taxpayers can start tax rollback procedures. In each case these rates are found by dividing the total amount of taxes by the tax base (the total value of taxable property) with adjustments as required by state law. The rates are given per \$100 of property value.

Last year's tax rate:

Last year's operating taxes	\$34,434,951
Last year's debt taxes	\$8,686,841
Last year's total taxes	\$43,121,792
Last year's tax base	\$6,769,512,088
Last year's total tax rate	0.637000 /\$100

This year's effective tax rate:

Last year's adjusted taxes (after subtracting taxes on lost property)	\$43,004,957
÷ This year's adjusted tax base (after subtracting value of new property)	\$7,150,412,744
= This year's effective tax rate	0.601433 /\$100

(Maximum rate unless unit publishes notices and holds hearings.)

This year's rollback tax rate:

Last year's adjusted operating taxes (after subtracting taxes on lost property and adjusting for any transferred function, tax increment financing, and/or enhanced indigent health care expenditures)	\$34,354,165
÷ This year's adjusted tax base	\$7,150,412,744
= This year's effective operating rate	0.480450 /\$100
x 1.08 = this year's maximum operating rate	0.518886 /\$100
+ This year's debt rate	0.124981 /\$100
= This year's total rollback rate	0.643867 /\$100

Statement of Increase/Decrease

If City of Laredo adopts a 2005 tax rate equal to the effective tax rate of \$0.601433 per \$100 of value, taxes would increase compared to 2004 taxes by \$1,694,618.

Schedule A - Unencumbered Fund Balances

The following estimated balances will be left in the unit's property tax accounts at the end of the fiscal year. These balances are not encumbered by a corresponding debt obligation.

Type of Property Tax Fund	Balance
General Fund	\$13,433,977
Debt Service	\$5,153,907

Schedule B - 2005 Debt Service

The unit plans to pay the following amounts for long-term debts that are secured by property taxes. These amounts will be paid from property tax revenues (or additional sales tax revenues, if applicable).

Description of Debt	Principal or Contract Payment to be Paid from Property Taxes	Interest to be Paid from Property Taxes	Other Amounts to be Paid	Total Payment
1996 GO Refunding Bonds (30.08m)	\$1,960,000	\$489,435	\$0	\$2,449,435
1997 GO Bonds (5.830m)	\$260,000	\$41,215	\$0	\$301,215
1997B Certificates of Obligation (3.660m)	\$137,754	\$13,450	\$0	\$151,204
1998B Certificates of Obligation (16.160m)	\$871,237	\$142,911	\$0	\$1,014,148
1998 GO Refunding Bond (43.05m)	\$1,180,000	\$695,457	\$0	\$1,875,457
2000 Airport CO Refunding (2.06m)	\$80,000	\$100,448	\$0	\$180,448
2000A CO PPFCO (1.55m)	\$345,000	\$16,043	\$0	\$361,043
2002 CO PPFCO (2.265m)	\$465,000	\$19,820	\$0	\$484,820
2003 Certificate of Obligation (3.510m)	\$130,000	\$138,995	\$0	\$268,995
2003 CO PPFCO (2.795m)	\$536,779	\$30,267	\$0	\$567,046
2003 GO Refunding Bond (4.59m)	\$430,000	\$35,575	\$0	\$465,575
2005 Certificate of Obligation (15.625m)	\$240,000	\$386,877	\$0	\$626,877
2005 Refunding C. O. (24.455m)	\$0	\$566,829	\$0	\$566,829
Total Required for 2005 Debt Service				\$9,313,092
- Amount (if any) paid from funds listed in Schedule A				\$0
- Amount (if any) paid from other resources				\$0
- Excess collections last year				\$0
= Total to be paid from taxes in 2005				\$9,313,092
+ Amount added in anticipation that the unit will collect only 100.00% of its taxes in 2005				\$0
= Total Debt Levy				\$9,313,092

This notice contains a summary of actual effective and rollback tax rates' calculations. You can inspect a copy of the full calculations at 1110 Houston.

Name of person preparing this notice: ELIZABETH MARTINEZ

Title: Tax Assessor-Collector

Date Prepared: August 12, 2005